

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2585 - SB 2675

March 10, 2022

SUMMARY OF BILL: Requires the Secretary of State (SOS) to randomly select three county election commissions that must conduct an audit after each August election and six county commissions that must conduct an audit after each November election. Requires Williamson County, as a pilot program, to audit their elections in May, August, and September of 2022. Makes various changes to the manner in which election officials must audit elections.

Requires staff of the Division of Elections (Division) to provide training on how to conduct audits and to attend training regarding the United States Government Accountability Office's generally accepted government auditing standards.

FISCAL IMPACT:

Increase State Expenditures - Exceeds \$190,900/FY22-23

\$90,900/FY23-24

Exceeds \$190,900/FY24-25

\$90,900/FY25-26 and Subsequent Years

Assumptions:

- The proposed legislation would require the Division to conduct and coordinate audits, attend and conduct trainings, and report audit findings.
- In order to comply with the provisions of the proposed legislation, the Division will require one additional Certified Public Accountant (CPA) position beginning in FY22-23.
- There will be a recurring increase in state expenditures of \$90,885 (\$72,000 + \$18,885 benefits) in FY22-23 and subsequent years.
- County election commissions are currently required to complete election audits under certain circumstances.
- The changes in audit processes in the proposed legislation are not estimated to have a significant impact on the operations of local government.
- For elections in 2022 and 2024, the costs of audits performed by county election commissions may be paid out of the state treasury upon certification of claims by the SOS, at a rate not to exceed \$50 in audit set up costs per machine and \$0.35 per ballot audited.
- It is unclear how many claims will be approved by the SOS, but it is reasonably estimated that state expenditures for election audits will exceed \$100,000 in FY22-23 and FY24-25.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

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